



NASA Langley Research Center Exchange

FY09 LaRC Exchange focus was on Program Improvements!

Your First Choice – LaRC Exchange

Visit us at <http://larc-exchange.larc.nasa.gov/>



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LaRC Exchange Operations Overview

Mission & Vision



- The Exchange Mission is to provide products, services, and activities that promote and enhance the well-being of the LaRC Community.
- Vision: A customer-focused team providing “First Choice” quality of life programs and services for the LaRC community.
- Your First Choice--Langley Exchange



LaRC EXCHANGE OPERATIONS

Consolidated Financial Statement



September 30,

2009

2008

Assets

Current assets

Cash and cash equivalents	\$ 371,785	\$ 323,609
Accounts receivable	35,104	36,625
Due from club accounts	8,487	-
Inventories	42,078	44,293
Prepaid expenses	13,495	26,045
Investments - current	25,712	34,856

Total current assets

496,661 465,428

Property and equipment - net

333,517 349,788

\$ 830,178 \$ 815,216

Liabilities and Net Assets

Current liabilities

Accounts payable	\$ 44,269	\$ 51,023
Accrued expenses	90,592	85,502
Due to club accounts	-	195
Unearned revenue	3,406	945
Security deposits	11,110	11,440

Total current liabilities

149,377 149,105

Net assets

Unrestricted 680,801 666,111

\$ 830,178 \$ 815,216



LaRC EXCHANGE STANDARDS ASSESSMENT

(\$ THOUSANDS)

YTD Sept. 30, 2009



Financial Indicators and Business Indicators	STANDARD	BUDGET/TARGET AMOUNT	PREVIOUS YTD Sept 07	ASSESSMENT ACTUAL YTD ACHIEVED	(PROFIT)/(VARIANCE)	REMARKS/COMMENTS
EAA/Admin. Office NI& BUDGET VAR	> 0 ±15%	-26.8	-15.1 +30%	-41.2 -54%	R R	Fitness Center income increased resulting in 10.4K. Randolph-Sheppard pay-out \$6,061.
CHILD DEV. CENTER NI & BUDGET VAR	> 0 ±15%	31.7	11.3 +3%	-.001 -1000%	R R	Total revenues increased \$120.8 K over FY08 with opening of new toddler room while lab increased 94.6K over FY08dget.
FOOD AND BEVERAGE NI & BUDGET VAR	> 0 ±15%	10.1	52.8 +423%	47.9 +375%	G +R	Comments: Cafeteria revenues exceed FY08 by 44.2K resulting in largest revenues ever.
EXCHANGE SHOP NI & BUDGET VAR	> 0 ±15%	2.1	13.7 +813%	6.1 +190%	G +R	Comments: The revenues were 822.2K less than FY08 and expense remained within budget.
Exchange Fund Net Income & Budget Variance	> 0 ±15%	21.7	62.7 -162%	14.7 32%	G R	Net income results accomplished through increased revenues in CDC and Cafe.
ACID TEST RATIO Ability to pay bill in 30 Days	>1:1	2.1:1	3.1:1	2.9:1	G	Comments: Quick cash is \$397,496, AR \$118,258. current assets \$571,329 Total liabilities \$134,341.
CASH TO DEBT RATIO Cash + Current & L. RANGE Investments / total liabilities	>1:1 <2:1	2:1	3.3:1	3.2:1	G	Comments: Cash Assets on hand \$423,208.
CI EXECUTION RATE 70 % OF BUDGET	>31.5 70%	\$27.5/100%	97.5 %	51.1 %	A	Comments: Capital Improvements budgeted at 27.5K. \$14.1K execution as of Sept 30, 2009.

PROFIT/LOSS

R=LOSING MONEY

G=MAKING MONEY

A=CONTROLLED LOSS

BUDGET VARIANCE

R=NEGATIVE OR VARIANCE >25%

G=POSITIVE NIBD & VARIANCE <16%

A=POSITIVE NIBD & VARIANCE 16-25% OR CONTROLLED LOSS & VARIANCE 0-25%



LaRC EXCHANGE OPERATIONS



FY 2009 Financial Statements by Activity

Revenues	EAA - Admin	CDC	Food & Bev	Exc. Shop	Consol. Exchange
Sales & Commissions	\$71,305	\$913,058	\$841,627	\$65,297	\$1,891,287
COGS			\$418,178	\$39,642	\$458,428
Gross Inc from Sales			\$422,841	\$25,655	\$1,432,859
Gross Income from operations	\$71,305	\$913,058	\$422,841	\$25,655	\$1,432,859
Expenses					
Labor	\$55,234	\$752,778	\$319,065	\$13,660	\$1,140,737
Operating Expenses	\$39,541	\$171,797	\$49,942	\$5,342	\$266,604
Total Expenses	\$94,775	\$924,575	\$369,007	\$19,002	\$1,257,004
Total other revenues	(\$2,600)	\$18,713	\$2,471	\$-	\$19,434
Net Income(loss) Before Depreciation	\$97,375	7,196	\$56,305	\$6,653	\$44,952
Depreciation	\$16,006	\$7,209	\$6,468	\$579	\$30,262
Net Income(loss)	(\$41,226)	(\$13)	\$49,855	\$6,653	\$14,690
Percentage of Total Revenue	-58%	-.000001	5.9%	10.18%	.008%
Total Revenue	\$71,305	\$931,771	\$844,098	\$65,297	\$1,910,721



Exchange Cumulative Net Income



Your First Choice – LaRC Exchange



LaRC EXCHANGE OPERATIONS

Cash Flow FYO8 & 09



Years Ended September 30,	2009	2008
Cash flows from operating activities		
Change in net assets	\$ 14,690	\$ 62,741
Adjustments to reconcile to net cash from operating activities:		
Depreciation	30,262	24,801
Realized and unrealized losses on investments	7	53
Change in:		
Accounts receivable	1,521	(18,272)
Due to/from club accounts	(8,682)	(195)
Inventories	2,215	(6,168)
Prepaid expenses	12,550	(4,334)
Accounts payable	(6,754)	10,108
Accrued expenses	5,090	15,419
Unearned revenue	2,461	(407)
Security deposits	(330)	(550)
Net cash from operating activities	<u>53,030</u>	<u>83,196</u>
Cash flows from investing activities		
Purchase of property and equipment	(13,991)	(131,600)
Proceeds from sale of investments	70,000	-
Proceeds from maturities of investments	-	16,475
Purchases and reinvestments of investments	(60,863)	(1,242)
Net cash from investing activities	<u>(4,854)</u>	<u>(116,367)</u>
Net change in cash and cash equivalents	48,176	(33,171)
Cash and cash equivalents - beginning of year	<u>323,609</u>	<u>356,780</u>
Cash and cash equivalents - end of year	<u>\$ 371,785</u>	<u>\$ 323,609</u>




LaRC EXCHANGE

Fiscal Year 2009

Capital Improvements



	ROI		Estimated		
PRIORITY	Years	Activity	Cost	Projected Purchase	Description
3	2	LaRC CDC	\$12,000	4th qtr	2 Refrigerators \$1394.28 Gazebo \$1048.96 Room system furniture (Cubbies, Cots) \$2,442.79 Mulch \$5458.00
2	3	Food & Beverage	\$12,500	4th qtr	Blinds \$1076.00
1	30	Gift Shop	\$3,000	3 th qtr	 AccuPOS - \$2636.50
		TOTAL	\$27,500	FY 09	\$14,055.53



LaRC Exchange Operations Overview



2009 Major Accomplishments

FY09 LaRC Exchange focus was on program improvements!

- Increased enrollment in the Group Health Insurance program from 10 to 19 employees while only increasing total cost of the program by \$588. This new program resulted in each employee saving an average of \$700 in their annual premium cost.
- A career progression plan for Child Development employees ranging from entry level NF1 to target level NF3 was established to provide pay incentives to employees for completion of required National Association for the Education of Young Children's education and training requirements (Child Development Associate (CDA) credentialing and Associate's degree in Early Childhood Education or equivalent).
- The Cafeteria had another banner year with a profit of \$49.8K while increasing salaries to keep pace with the local salaries for food service employees.
- A Kano Survey and Focus Groups were conducted for cafeteria customers. The goals were to better align daily menus and specials with customers' desires.



LaRC Exchange Operations Overview



2009 Major Accomplishments

- The Exchange Shop has a new automated ACCUPOS Retail Sales Accountability hardware and software program that interfaces with our new server based 2009 Peachtree Accounting. These systems have improved our inventory accountability, cash controls, and expedited credit card transactions, thereby improving the overall customer buying experience.
- Four new exercise machines installed at the Fitness Center.
- Refurbished tile in gym showers and rest rooms along with new locker room benches made of recycled materials.
- 10 new player benches for tennis courts and athletic fields.
- Provided \$16,615 in Morale Welfare Funds for office parties, picnics, and Director's holiday reception.
- Supported Exchange club and league with \$7,000.
- Vending operations provided \$6,062 for Randolph-Sheppard.
- Provided \$6,564 in support of employees' 401K retirement plan.
- Provided \$10,975 in performance awards to employees.
- The following charts provide photo highlights of some of these 2009 accomplishments:



LaRC Exchange Operations Overview

2009 Major Accomplishments



**New automated ACCUPOS
Retail Sales Accountability
System with software
program that interfaces with
our server based 2009
Peachtree Accounting
system.**



New blinds installed in cafeteria.



LaRC Exchange Operations Overview 2009 Major Accomplishments



2009 Child Development Center (CDC) facility improvements



Installed 9 tons of environmentally, friendly rubberized mulch which provides a safer and healthier play surface for children in the Child Development Playground. It has a ten years projected usage life.



New gazebo provides for shade in the CDC playground area.



New changing table and sink added to infant room.



LaRC Exchange Operations Annual Operating Plan FY 2010



Revenues	EAA- Admin	CDC	Food & Bev	Exc. Shop	Consol. Exchange
Sales Revenues			\$ 820,953	\$ 71,045	\$ 891,998.00
COGS	\$ -		\$ 389,221	\$ 47,975	\$ 437,196.00
Gross Inc from Sales	\$ -		\$ 431,732	\$ 23,070	\$ 454,802.00
Other Income	\$ 76,675	\$ 878,416			\$ 955,091.00
Total Revenue	\$ 76,675	\$ 878,416	\$ 820,953	\$ 71,045	\$ 1,847,089.00
Gross Income	\$ 76,675	\$ 878,416	\$ 431,732	\$ 23,070	\$ 1,409,893.00
Expenses					
Labor	\$ 55,200	\$ 682,400	\$ 330,047	\$ 14,500	\$ 1,082,147.00
Operating Expenses	\$ 32,805	\$ 166,700	\$ 86,167	\$ 4,536	\$ 290,208.00
Total Expenses	\$ 88,005	\$ 849,100	\$ 416,214	\$ 19,036	\$ 1,372,355.00
Net Income(loss)Before Dep.	\$ (11,330)	\$ 29,316	\$ 15,518	\$ 4,034	\$ 37,538.00
Depreciation	\$ 12,480	\$ 10,000	\$ 5,580	\$ 852	\$ 28,912.00
Net Income(loss)	\$ (23,810)	\$ 19,316	\$ 9,938	\$ 3,182	\$ 8,626.00
Percentage Goals	-31%	2%	1%	4%	0.5%

FY10 LaRC Exchange Focus will be on Innovative Improvements!



LaRC EXCHANGE 2010 Major Budget Impacts



Maxi-flex anticipated to have impact on vending revenues and Cafeteria food and beverage sales.

Subsidies @ \$2800 for bowling, golf, runners, softball, etc

Approximately \$7500 in annual savings for worker comp savings anticipated.

Career progression paths implemented for Child Development Center employees that increases pay potential based on performance and accreditation training/education requirements.

Slight increase in liability insurance anticipated with renewal due in March.

Health Insurance rate increase approximately 25% for the year.



LaRC EXCHANGE

Fiscal Year 2010

Capital Improvements



	ROI				
PRIORITY	Years	Activity	Cost	Projected Purchase	Description
3	4	LaRC CDC	\$8,100	4th qtr	Training computer, washing machine, dryer, refrigerator & stove replacements
2	3	LaRC CDC	\$5000	3rd qtr	Playground age appropriate replacements and upgrades
1	8	Food & Beverage	\$5,000	4 th qtr	Replaced equipment
		TOTAL	\$18,100		



LaRC EXCHANGE

Years 2010-2016

Future Projects Plans



FY 2010 – Replace HVAC in gym \$145K

FY 2010 – Design for new kitchen \$77K

FY 2011 - Refurbishing of the gym floor \$160K

FY 2011 - Resurface/repair tennis/basketball court

FY 2011 – Renovate 1231b for new Child Development kitchen \$500K

FY 2012 – Renovate Old LCDC building (1231) - \$950,000

FY 2013- COF projected for construction of new Cafeteria/Exchange Shop/Exchange Administrative Offices in New Town Integrated Services Facility Cost TBD

FY 2015 - COF projected to relocate/expand fitness center in Reid Center , rehab. locker rooms, new floor, mirrors, covered walkway to gym. \$1.5M

FY 2016 - Upgrade gym and athletic fields with fencing and drainage, new racquetball court, divider curtain -\$3.5 M

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